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Report to the Economic and Social Council

Report of the Administrator

Issues

The present report was prepared in conformity with a joint format agreed to by the United Nations Development Programme, the United Nations Population Fund and the United Nations Children's Fund.

It addresses the implementation of the reform programme of the Secretary-General, including progress made in the context of the United Nations Development Group, and the provisions of the comprehensive triennial policy review of operational activities for development of the United Nations system for 2001. It also includes a discussion of relations with the World Bank, follow-up to international conferences and the Millennium Declaration, and humanitarian and disaster-relief assistance.

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I. Implementation of the reform programme of the Secretary-General and the provisions of the comprehensive triennial policy review of operational activities for development of the United Nations system for 2001

A. Structures and mechanisms

1. The United Nations Development Group (UNDG) has been restructured to mirror the new Board for Coordination of Chief Executives of the United Nations system (formerly the Administrative Committee on Coordination (ACC)) with its High-level Committee on Programmes and the High-level Committee on Management. This should strengthen relations between UNDG and the organizations of the United Nations system that are not members of UNDG.

2. The United Nations Development Group Office (DGO) has continued to provide Internet services both at headquarters and at the country level through the provision of best practices and examples of successful common country assessment (CCA) and United Nations Development Assistance Framework (UNDAF) exercises. Two Internet vehicles have been set up in this respect: UNDG DevLink and the CCA/UNDAF Learning Network (RCNet). Since its inception in October 2000, DevLink has had more than 70,000 hits. A fifth topic, on HIV/AIDS, has recently been added to DevLink.

3. In the past year, UNDG has cooperated with other executive committees in the preparation of two important policy documents: with the Executive Committee on Peace and Security (ECPS) on peace-building, and with the Executive Committee on Humanitarian Affairs (ECHA) on relations between the United Nations and European institutions in the development and humanitarian fields. A joint UNDG/ECHA working group on Afghanistan has been established to guide the United Nations operational response in Afghanistan under the integrated mission task force (IMTF).

4. Five United Nations Houses were designated in 2001 (Japan, Kyrgyzstan, Namibia, Paraguay, and Trinidad and Tobago). Funding has been procured for a pilot programme to facilitate the implementation of common services at the country level.

Problems encountered and lessons learned

5. There is further need for the harmonization of financial, administrative and personnel systems, including common personnel policies. The UNDG Management Group has set up two ad hoc working groups: harmonization of personnel policies; and financial policies.

6. There is a need to speed up the identification of training priorities for 2002 and to develop a monitoring and evaluation system to measure the impact of this training. The UNDG Working Group on Training is currently preparing guidelines for this issue.

Recommendations

7. The Council may wish to:

(a) Take note of the UNDG structures now in place and welcome the efforts of UNDG to rationalize its subsidiary machinery;

(b) Reaffirm the need for continued, close cooperation between UNDG members and the subsidiary machinery of the United Nations System Chief Executives Board for Coordination;

(c) Encourage further use of UNDG machinery for the implementation of the resolution on the comprehensive triennial policy review of operational activities for development of the United Nations system for 2001;

(d) Welcome the efforts towards the establishment of United Nations Houses and the development of common services.

B. Funding and resources

8. In accordance with Executive Board decision 99/23 and others, UNDP made further progress in 2000 in implementing the multi-year funding framework. At the third regular session 2000 of the Executive Board, the Administrator presented his report on the updated allocation framework and the multi-year funding framework (DP/2000/31).

9. Based on the levels of voluntary contributions to regular resources in 1999 and 2000, the projections for 2002 and 2003 noted in document DP/1999/30 of $1.0

and $1.1 billion respectively have been adjusted to $800 and $900 million respectively. These will become the revised income projections for the biennium 2002-2003, amounting to a regular resource base of $1.76 billion for the biennium. This reflects a two-year delay in achieving the voluntary contribution targets as initially envisaged. Based on recent increases by the majority of donors, the level of voluntary contributions is expected to increase in 2001 after annual declines over eight consecutive years. This turnaround needs to be sustained to place the organization on a more sound financial footing. For the four-year period 2000-2003, voluntary contributions to regular resources are now projected at $3.0 billion.

Problems encountered and lessons learned

10. UNDP has gradually evolved into a multi-funded organization. Over the years, other resource contributions (i.e., non-core) have grown significantly. In 2000, other resources amounted to $1.5 billion, comprising $571 million in third-party co-financing (trust funds and third-party cost-sharing) and $933 million in programme-country cost-sharing. Thus, total income projections underlying the integrated resource framework for the period 2000-2003 amount to $9.4 billion, comprising $5.6 billion in donor resources, of which $3.0 billion is projected for voluntary contributions to regular core resources; $2.6 billion in third-party co-financing and $3.8 billion in programme-country cost-sharing.

11. The erosion in regular resources over the past years has severely impaired the ability of UNDP to produce the development outcomes envisioned in the country cooperation frameworks, and the strategic results framework of the multi-year funding framework. This has had a particularly adverse impact on the struggle of low-income countries against poverty. The consequences of the funding shortfall also threaten the ability of the organization to sustain a strong global platform and a universal country presence on behalf of the United Nations system and the international community at large.

Recommendations

12. The Council may wish to:

(a) Welcome the progress achieved in reviewing, updating and improving the multi-year funding framework;

(b) Welcome the increased levels of funding available to UNDP, with core funding levels representing an increase for the first time in many years;

(c) Make recommendations on the continuing need to strengthen core funding as the bedrock of the organization;

(d) Make recommendations on the future of the United Nations pledging conference, taking into account the experience of UNDP and other funds and programmes with the multi-year funding framework.

C. The resident coordinator system

13. In the past year, the strengthening of the capacity of the resident coordinator system remained a top priority for UNDP as steward of the system on behalf of the Secretary-General. A new modality for the resident coordinator competency assessment was pilot tested with five resident coordinator system and the Inter-Agency Steering Committee members. Six assessments were held during the period 28 August-30 September 2000 for 66 candidates.

14. Selection procedures have resulted in a wider pool of resident coordinators, with emphasis on increasing the candidates from organizations other than UNDP. A more determined effort was also made in order to increase the number of female candidates in the resident coordinator pool, to be nominated by the organization concerned.

15. By December 2000, out of 120 resident coordinators, some 20 were from organizations other than UNDP (17 per cent) and 31 were women (26 per cent). By June 2001, out of 115 resident coordinators, some 22 (19 per cent) were from organizations other than UNDP and 30 were women (26 per cent). While representing an increase, these figures need to be constantly updated to take into account new appointments of resident coordinators. These numbers are projected to increase with a policy adopted by UNDG in late 2001 of all organizations proposing 50 per cent of their candidates as women for the resident coordinator assessment.

Problems encountered and lessons learned

16. While there has been much progress in the past year, especially through more rigorous selection and

assessment procedures to enhance and diversify the pool of resident coordinators, the low numbers of women resident coordinators is a cause for concern. Decisions taken by UNDG in November 2001 aim at ensuring that 50 per cent of candidates proposed by all organizations, including UNDP, for the resident coordinator assessment are women. In addition, a more determined effort needs to be made to recruit a higher percentage of resident coordinators with experience in humanitarian affairs to serve in countries in special development situations or in post-conflict country offices.

17. To monitor the training level of resident coordinators, the organizations represented on the UNDG Executive Committee agreed to financial arrangements for a 180-degree feedback exercise while the Inter-Agency Steering Committee on Resident Coordinator Competency Assessment agreed to take on the management of this task.

18. Finally, the length of time involved in the selection of resident coordinators means that reform of the inter-agency selection procedures is deemed necessary to ensure rapid placement. In particular, UNDG has agreed to publish the list of vacancies in advance and to expedite policies of the Inter-Agency Selection Panel in order to reduce to a minimum the time between the departure of one resident coordinator and the arrival of his/her successor in a country office.

Recommendations

19. The Council may wish to:

(a) Take note of the progress in broadening the pool of resident coordinators and of the efforts to promote a cultural and gender-neutral assessment in the selection of resident coordinators;

(b) Encourage all entities participating in the resident coordinator system to put forward for the assessment at least 50 per cent women staff members;

(c) Note the commitment to improving the assessment of resident coordinator and country team performance.

D. Implementation of the common country assessment and the United Nations Development Assistance Framework

20. During 2000, the United Nations Development Group continued to support the CCA/UNDAF process. The year 2000 witnessed the completion of 63 CCAs and 19 UNDAFs.

21. Progress has also been undertaken in terms of training. Most notably, some 60 staff members from organizations at country, regional and headquarters levels were trained at the United Nations Staff College in Turin as resource persons for CCA/UNDAF, anti-poverty strategies and team-building. A draft module linking the CCA/UNDAF process and the implementation of the millennium development goals and a module on poverty were developed.

22. In the course of 2001, an external evaluation of UNDAFs was undertaken by the Department of Economic and Social Affairs in preparation for the report of the Secretary-General on the comprehensive triennial policy review of operational activities for development of the United Nations system. Following this review, the UNDG Executive Committee, at its meeting on 6 July 2001, endorsed 22 recommendations submitted by the Programme Group of UNDG as a follow-up to the UNDAF external assessment and the workshop. A joint communication from the Executive Committee of UNDG to all resident coordinators and United Nations country teams requested them to review the recommendations of the assessment and the implications for their work at the country level.

Problems encountered and lessons learned

23. The evaluation of UNDAFs highlights the importance of obtaining inter-agency participation in the UNDAF exercises. Furthermore, UNDAF evaluations revealed that the national ownership of development strategies represents the most fruitful avenue for the preparation of an UNDAF that meets the needs of programme countries.

24. In addition, the need for the UNDAF to take into consideration, where relevant, humanitarian and post-conflict aspects was also brought out. In this respect, more than 10 United Nations country teams in countries in special development situations have finalized or are in the process of finalizing adopted

CCAs, and 5 adopted UNDAFs for crisis and post-conflict countries. A review of CCAs and UNDAFs has been undertaken to determine the extent to which a conflict-prevention perspective is incorporated.

Recommendations

25. The Council may wish to:

(a) Welcome the efforts undertaken in increasing the number and the scope of common country assessments and United Nations Development Assistance Frameworks;

(b) Encourage resident coordinators and United Nations country teams to ensure full agency participation and to continue to improve the quality of UNDAFs and their responsiveness to national priorities;

(c) Welcome national ownership and leadership in the preparation of common country assessments and United Nations Development Assistance Frameworks.

E. Harmonization of programming periods and procedures

26. In its decision 2001/11, the Executive Board of UNDP/UNFPA encouraged programme countries that have already developed or are planning to develop a common country assessment/United Nations Development Assistance Framework jointly undertaken and approved by the Government to use it, on a pilot basis, as the common planning framework for United Nations operational activities at the country level, with effect from the annual session 2002.

27. Draft country outlines will be presented to the Executive Boards for discussion at their annual session where applicable; the CCA/UNDAF will be made available for information. Following review by the Executive Board, the country programme will be finalized, taking into account the comments made by the Board. The country programmes will be posted by October of the last year of the country programmes on the web sites of respective UNDG partners and will be approved in January on a no-objection basis without presentation or discussion unless at least five members have informed the secretariat in writing before the meeting of their wish to bring a particular country programme before the Executive Board.

28. In December 2001, the Administrator of UNDP and the Executive Director of UNFPA wrote to all country teams informing them of the new common programming procedures and providing guidance to country teams on the preparation of country programme outlines and country programmes.

29. The past year has witnessed three important actions that complement the CCA and UNDAF as well as the adoption of a common approval process. These are the adoption of common strategies on poverty reduction and girl's education by UNDG and the issuance of guidelines on joint programmes. Draft guidelines on joint mid-term reviews of country programmes are also being piloted.

Problems encountered and lessons learned

30. Given the critical role to be played by the CCA/UNDAF process, it is essential that a strict timetable be adhered to in the preparation of UNDAFs.

31. With the adoption of a common programming procedure for UNDP and UNFPA, it is expected that the UNICEF and WFP Executive Boards will consider such a harmonized programme approval process early in 2002. The harmonization of programme approval processes also necessitates the development of a common structure for country programme documents in order to simplify procedures and reduce transaction costs.

Recommendations

32. The Council may wish to:

(a) Welcome the progress achieved by UNDP and UNFPA in the harmonization of country programme approval processes;

(b) Encourage the members of UNDG to continue efforts to harmonize country programme approval processes and a common structure for programme documents;

(c) Encourage all members of UNDG, in their harmonization and simplification efforts, to seek to reduce transaction costs of country programming.

F. Gender mainstreaming

33. UNDP country offices have reported an increasing use of the CCA and UNDAF mechanisms

and the resident coordinator system for the promotion of gender equality and implementation of international commitments. Within the resident coordinator system, the gender thematic groups at the country level are the most common and active inter-agency coordination mechanisms. In most cases, UNDP is acting as leader in inter-agency cooperation through thematic groups.

34. Two thirds of UNDP country offices are supporting work on the advancement of women and gender-equality goals. Participatory approaches to policy formulation and the implementation of the Beijing Platform for Action and the outcome of its five-year review as well as building national capacities for gender mainstreaming, especially through the collection and dissemination of data disaggregated by sex are among the more important aspects of this work.

Problems encountered and lessons learned

35. There is slow movement towards concrete action and tangible results from effective mainstreaming of gender as a cross-cutting issue in key development areas. Work on gender-disaggregated data needs to be expanded, especially to focus on indicators to monitor global commitments. The need also persists to develop further the UNDP institutional capacity for gender-mainstreaming into its practice areas and programmes with the necessary tools and methodologies for measuring progress. Mainstreaming gender into the UNDP six thematic practice areas is being strengthened at the corporate policy-formulation level. A similar effort should be reflected at the country level, with concrete action and tangible results built into the strategic results framework and the gender strategic results framework.

36. UNDP is making efforts to ensure that a comprehensive gender perspective is integrated into planning across all programme sectors in crisis and post-conflict situations. This includes the compilation of guidelines for field staff and the development of a gender-specific draft plan of action.

Recommendations

37. The Council may wish to:

(a) Welcome the improvements in gender mainstreaming, particularly through the UNDAF;

(b) Encourage the funds and programmes to ensure that UNDAF implementation supports gender-mainstreaming considerations;

(c) Encourage UNDP to strengthen the gender-sensitive components of the strategic results framework.

Gender balance

38. UNDP remains committed to full gender equality in its human resource policy and to zero tolerance for sexual harassment. It has redoubled its efforts to achieve gender balance, targeted by the organization for 2001. With recent appointments, UNDP has now four women out of a total of eight staff members at the Assistant Secretary-General level. Among UNDP national officers, women now constitute 38 per cent, nearing the 40 per cent target. Thirty-three per cent of deputy resident representatives are women while the goal of 38 per cent women resident representatives/ resident coordinators will not be reached this year.

39. In the establishment of gender balance at UNDP, the most notable achievement has been the recruitment of the first group of young professionals in the leadership programme (LEAD). Out of 19 recruited professionals, 10 are women.

Problems encountered and lessons learned

40. Despite the improvements in gender balance at the senior and entry levels, efforts still need to be made to appoint and retain women at the mid-level of the organization's career structure. Recent policies to improve this balance, such as the work/life policy, are expected to lead to an improvement.

Recommendations

41. The Council may wish to:

(a) Take note of the improvements in gender balance at the senior and entry levels of the organization;

(b) Call for further efforts by UNDP to accelerate the achievement of institutional goals for gender balance, especially among resident coordinators;

(c) Continue to promote human resource policies that actively promote the careers of young women.

G. Evaluation

42. The realignment of the UNDP monitoring and evaluation instruments reinforces key dimensions of the strategic shift to focus on development results and outcome-level performance. The key methodological refinements involve improved measurement and assessment of the strategic results framework, capturing interventions such as policy advice, dialogue and advocacy, more rigorous definition and use of indicators, and assessing the partnership strategy that UNDP pursues towards the achievement of targeted results. Compliance with the results-based management and the simplification process will be reflected in the revision of the UNDP *Handbook on Results-Oriented Monitoring and Evaluation*, completed late 2001.

43. During 2000, UNDP completed testing the country-level impact assessment in Burkina Faso and Malawi. The objective of the assessment is to provide empirical evidence on the overall contribution and impact of UNDP interventions over an extended period of time while strengthening and refining the methodological tools and approaches to capture results and impact levels accurately.

44. In 2000, the first UNDP report on development effectiveness marked an initial effort to assess UNDP effectiveness in achieving desired development outcomes. The empirical evidence from the 2001 development effectiveness report confirms more forcefully the previous findings that UNDP performance is increasing in the achievement of project immediate objectives.

Problems encountered and lessons learned

45. The methodological refinements have brought out in particular the pressing challenge of making early progress in ensuring that empirical evidence plays a critical role in improving the quality and impact of UNDP-supported projects and programmes, as part of the UNDP overall knowledge management strategy.

Recommendations

46. The Council may wish to:

(a) Encourage UNDP to enhance substantive accountability further;

(b) Welcome the development of the country-level impact assessment methodology to provide an evaluation of the long-term impact of UNDP programmes.

H. Cooperation with the World Bank

47. Over the past years, a renewed dialogue between UNDP and the World Bank, including regular consultations between the Administrator and the President of the Bank, has contributed to identifying priority areas and developing partnership. Poverty reduction, governance and information technology offer a particularly strong potential for cooperation.

48. In the approach adopted in all areas, cooperation with the World Bank is developed in the context of UNDP partnerships with Governments in programme countries. Its central purpose is to increase the effectiveness of nationally owned development processes supported by UNDP in its work with Governments and other national entities.

49. Specific cooperation has been developing on poverty-reduction strategies, particularly Poverty-Reduction Strategy Papers (PRSPs) governance, with a particular emphasis on Africa, as well as information technology and the Global Development Gateway. Given the importance of poverty-reduction objectives, UNDP has been placing a strong specific emphasis on its dialogue with the World Bank on PRSPs and the contribution it can make, substance and process-wise, to PRSPs in programme countries. Last year, UNDP initiated a mechanism of joint review of cooperation, whereby two or three times a year UNDP and the World Bank would assess their cooperation in about 20 PRSP countries. The latest of such meetings was held in July 2001. A joint review of the poverty trust fund established by each institution was also held in UNDP headquarters to ensure that the two initiatives would be complementary.

Problems encountered and lessons learned

50. Although the relationship between the World Bank and UNDP has greatly improved over the past years, efforts still need to be made in terms of institutionalizing the relationship, in particular regarding participation of UNDP in the PRSP. The UNDG guidance note on PRSPs should allow a much clearer relationship between instruments such as UNDAF and PRSP.

51. In other areas of development cooperation, such as in HIV/AIDS, or post-conflict development assistance, a clearer division of labour between UNDP and the World Bank needs to be established and clarified. The possibility of a significant expansion of the World Bank's grant assistance will require a clear delineation of roles and responsibilities.

Recommendations

52. The Council may wish to:

(a) Welcome the adoption of a UNDG guidance note to United Nations country teams on the Poverty-Reduction Strategy Paper;

(b) Welcome the dialogue between UNDP and the Bretton Woods institutions;

(c) Encourage the growing dialogue in order to establish closer linkages among instruments such as the United Nations Development Assistance Framework and the Poverty-Reduction Strategy Paper where applicable;

(d) Invite the Bretton Woods institutions to cooperate more closely in the development of common country assessments and United Nations Development Assistance Frameworks.

II. Follow-up to major conferences and summits and the Millennium Declaration

53. UNDP has been designated by the Secretary-General to coordinate country-level assistance from the United Nations system to monitor progress towards development goals set out in the Millennium Declaration. The Secretary-General has mandated DESA to monitor global progress towards the achievement of the goals.

54. UNDP has led the UNDG effort to clarify and define the framework of the millennium development goals, targets and indicators under the auspices of the Office of the Secretary-General and in cooperation with DESA, United Nations specialized agencies, funds and programmes, the World Bank, the International Monetary Fund and the Organisation for Economic Cooperation and Development.

55. A UNDG guidance note on reporting on the millennium development goals at the country level was prepared and adopted by UNDG in November 2001. To date, reports are being piloted in 13 countries. The first such pilot, in the United Republic of Tanzania, was presented to the Economic and Social Council at its 2001 substantive session. In addition, UNDP has provided, through UNDG, substantive contributions to the Secretary-General's Road Map on the implementation of the Millennium Declaration.

56. In his capacity as Chairman of UNDG, the Administrator has been tasked with the conduct, with United Nations partners, of a major advocacy and mobilization campaign targeted at national and global opinion. Preparatory planning has already commenced for this campaign.

Problems encountered and lessons learned

57. Despite the relatively recent adoption of the Millennium Declaration, a large proportion of country teams made significant efforts to reorganize the reporting of their activities in accordance with the millennium development goals. Thus, CCA indicators include, but are not limited to, the indicators developed to monitor the millennium development goals.

58. A challenge remains, however, in establishing links between coordination instruments such as CCAs and UNDAFs and the millennium development goals. Thus in the annual reports of the resident coordinators, several country teams stated that the CCA provided them with a tool for assessing progress made towards the implementation at the national level of the goals and targets set out in the global conferences. The challenge is thus to retain the country-led specificity of the CCAs and UNDAFs while meeting international commitments made at the Millennium Summit.

Recommendations

59. The Council may wish to:

(a) Welcome the development of the indicator framework for the implementation of the millennium development goals as a way to strengthen conference follow-up and monitoring of the goals at the country level;

(b) Encourage country teams to monitor follow-up to global conferences and summits, especially through the goals and targets of the Millennium Declaration;

(c) Request the United Nations Development Group to report to the Economic and Social Council at its substantive session in 2002 on the achievement of Millennium Development Goals reports.

III. Follow-up to special economic, humanitarian and disaster-relief assistance

60. After rounds of intensive consultations with the members of the Executive Board and with various operational partners on the roles of UNDP in crisis and post-crisis scenarios, the Board adopted decision 2001/1 of 5 February 2001 on the role of UNDP in crisis and post-conflict situations.

61. In its effort to link relief, rehabilitation and development in post-conflict and natural disaster situations, UNDP is now introducing the transition recovery programme concept, which involves the mobilization of transition recovery teams, with a view to supporting the United Nations country teams in initiating appropriate and timely support for early recovery. Shortly after the devastating earthquake of January 2001, for example, a pilot transition recovery team was dispatched to Gujarat, India.

62. Within the United Nations system, UNDP is responsible for providing capacity-building assistance to mine-affected countries and addressing the socio-economic aspects of landmine contamination. In 2001, UNDP undertook capacity-building activities in 16 countries and raised over $30 million to support them.

63. UNDP continued to play an active role in strengthening regional, national, and local capacities in natural disaster prevention, preparedness, mitigation and recovery. During 2001, this has included support to over 50 programmes at country and regional levels.

Problems encountered and lessons learned

64. In order to ensure true sustainability, priority attention will be given to support national efforts and ensure maximum collaboration with local authorities, civil society, and the communities concerned in the decision-making and implementation process.

65. Work is ongoing to strengthen partnership in the area of crisis prevention and recovery, ranging from the launching of a joint review of the UNDP/World Bank collaboration in the post-conflict situations, to complementary work for disarmament, demobilization and reintegration in the Great Lakes region.

Recommendations

66. The Council may wish to:

(a) Take note of the development by UNDP of the transition recovery programme and encourage it to ensure coordination with the ongoing efforts of other relevant organizations;

(b) Support efforts to ensure that the Resident Coordinator serves concurrently as Humanitarian Coordinator, where appropriate;

(c) Stress the importance, in recovery programmes of country-led activities while ensuring maximum cooperation of local authorities, civil society and communities concerned in implementation and decision-making.